



August 14, 2013

Item No. 8

**AUTHORIZATION TO ENTER INTO A CONTRACT WITH NOVAK CONSTRUCTION COMPANY  
FOR MODERNIZATION AND LIFE SAFETY UPGRADES AT  
LINCOLN PERRY APARTMENTS AND ANNEX**

**To the Honorable Board of Commissioners:**

**RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to enter into a contract with Novak Construction Company for the modernization and life safety upgrades at Lincoln Perry Apartments and Annex in the amount of \$19,984,147, with work to be completed within six hundred sixty (660) calendar days of the Notice to Proceed. Lincoln Perry is a Senior development comprising two (2) buildings totaling four hundred fifty (450) units. The Apartments are located at 3245 South Prairie Avenue and the Annex at 243 East 32<sup>nd</sup> Street in Chicago.

The Interim Acting Vice President of Construction, the Office of the General Counsel, and the Department of Procurement and Contracts have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

**CORPORATE GOAL:** Ensure the Chicago Housing Authority's portfolio is safe, decent and sustainable.

**FUNDING:** General Fund - FY2013

**SOLICITATION SUMMARY**

**Specification No.:** IFB 13 - 01156

**Vendor:** Novak Construction Company  
John Novak, President  
3423 North Drake Avenue  
Chicago, IL 60618

**Contract Type:** Construction Services

**Base Contract Amount:** \$19,984,147

**Base Contract Period:** six hundred sixty  
(660) calendar days

**Option Period:** not applicable

**Publications:** Chicago Sun-Times, Defender,  
Extra, CHA website, BuySpeed

**Vendor List:** 866

**Pick-Up List:** 88

**Solicitation Release Date:** May 22, 2013

**Days Advertised:** thirty-seven (37) business  
days

**Addendum(s):** 1) June 14, 2013  
2) June 25, 2013

**Pre-Bid Date:** May 29, 2013

**Solicitation Due Date:** July 3, 2013

**Assist Agencies:** 66

**Respondents:** 6

	<b>New Hires Needed</b>	<b>Required</b>	<b>Proposed</b>
M/W/DBE Participation		40%	41.2%
Section 3 Hiring No. (30% of new hires)	6	2	6
Section 3 Business Concern		10%	18.8%

### **GENERAL BACKGROUND /EXPLANATION**

On May 22, 2013 the Chicago Housing Authority (“CHA”) solicited General Contractors to provide construction services for the modernization and life safety upgrades at Lincoln Perry Apartments and Annex. The City of Chicago Code requires Life Safety building systems to be code compliant by the end of December 2014. In addition, concerns with plumbing mechanical risers have prompted the need to replace these systems as they are close to the end of their useful life expectancy. And this project provides the opportunity to perform some additional work in the common areas and units, including ADA rehabilitation.

The Life Safety improvements will include:

- Fire Communication Systems
- Elevator Systems (Recall System, Automatic Transfer Switch)
- Fire Alarm/ Suppression Systems

The Modernization improvements will include:

- Common Area Improvements
- Lobby Improvements
- Unit Improvements
- Plumbing Improvements (New Water Heaters, Domestic Hot and Cold Water Risers, Horizontal Lines and Water Valves)
- Security Camera Installation (Lobbies/Corridors)

And interior ADA rehabilitation work will be done in mobility units and common areas.

Bid submittals were received from six (6) firms on July 3, 2013. The low bidder was Novak Construction Company (Novak). Founded in 1980, Novak Construction is a national general contractor and construction management firm based in Chicago. Their renovation experience includes government facilities, schools, libraries, colleges and universities. Novak is essentially new to the CHA, having last bid on a CHA project some 10-15 years ago. It is meeting or exceeding the CHA’s M/W/DBE, Section 3 hiring and Section 3 Business Concern requirements for this project.

Based on the foregoing, it is in the CHA’s best interest for the Board of Commissioners to authorize the Chief Executive Officer or his designee to enter into a contract with Novak Construction Company for the modernization and life safety upgrades at Lincoln Perry Apartments and Annex in the amount

of \$19,984,147, with work to be completed within six hundred sixty (660) calendar days of the Notice to Proceed.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority Board policies and all applicable federal (Department of Housing and Urban Development) procurement laws.

The Interim Acting Vice President of Construction concur with the recommendation to enter into a contract with Novak Construction Company for the modernization and life safety upgrades at Lincoln Perry Apartments and Annex in the amount of \$19,984,147, with work to be completed within six hundred sixty (660) calendar days of the Notice to Proceed..

The CEO/President recommends the approval to enter into a contract with Novak Construction Company for the modernization and life safety upgrades at Lincoln Perry Apartments and Annex in the amount of \$19,984,147, with work to be completed within six hundred sixty (660) calendar days of the Notice to Proceed.

**RESOLUTION NO. 2013-CHA-66**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated August 14, 2013 entitled **"AUTHORIZATION TO ENTER INTO A CONTRACT WITH NOVAK CONSTRUCTION COMPANY FOR MODERNIZATION AND LIFE SAFETY UPGRADES AT LINCOLN PERRY APARTMENTS AND ANNEX"**;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorize the Chief Executive Officer or his designee to enter into a contract with Novak Construction Company for the modernization and life safety upgrades at Lincoln Perry Apartments and Annex in the amount of \$19,984,147, with work to be completed within six hundred sixty (660) calendar days of the Notice to Proceed.. The Apartments are located at 3245 South Prairie Avenue and the Annex at 243 East 32<sup>nd</sup> Street, in Chicago, Illinois.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3, and bonding and insurance requirements.



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